

November 6, 2017

The Honorable Sonny Perdue
Secretary
U.S. Department of Agriculture
1400 Independence Ave., SW
Washington, DC 20250

Dear Secretary Perdue:

I write to express my concern on the recent announcement that the North Dakota Association of Rural Electric Cooperatives (NDAREC) did not receive a U.S. Department of Agriculture (USDA) Rural Cooperative Development Grant (RCDG) this year and the troubling reports I have received about the process and transparency of selection for these awards.

This year was the first year since 1994 that the NDAREC did not receive funding through the RCDG. This grant has been used to support NDAREC's very successful cooperative development center, and this year, their application scored a 79 versus 98 received last year. In previous years, NDAREC's applications have consistently scored in the mid to high 90s. While I understand applications are scored by a voluntary committee, which can be subjective, I am very concerned about the dramatic drop in NDAREC's score as well as the lack of transparency in the process, particularly the decision not to release a list of those organizations awarded grants under the program, which has been standard practice previously.

The decision not to make the 2017 RCDG Award recipients public, which is a significant departure from previous years, elevates my concerns. Basic information on who received grants or loans, the amount and intended use of the federal funds is reasonable information a federal agency should disclose. I would appreciate it if you would provide me answers to the following questions related to this year's RCDG awards.

1. How many applications did the USDA receive for RCDG grants this funding cycle, what was the total number of applications funded, what was the lowest score of the applications funded and how many applications were funded in 2016 that were not funded in 2017?
2. What is the rationale behind USDA's decision to not publically disclose the list of awards this year?
3. How were members of the selection committee chosen? Have these members previously served on the committee to review these applications?
4. Did all committee members review and score each application? If not, how was consensus reached and did this year's process deviate from previous years?

5. Did the selection committee consider awarding grants less than the maximum award in order to maintain basic operations for those organizations funded in previous years but whose scores fell below the lowest score funded this year? If not, why not?
6. Of the grants awarded, how many will benefit rural populations versus suburban and metropolitan populations?

As the USDA progresses forward with the reorganization of the Rural Development mission area and their programs continue to be targeted for cuts from the administration, I would like stress how important these programs are to rural communities across the country and especially to states like North Dakota.

Thank you for your prompt consideration of my concerns, and I look forward to your reply.

Sincerely,



Heidi Heitkamp
United States Senate